

The Honorable John D. Dingell's remarks on health reform at the Center for American Progress

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Statement of Congressman John D. Dingell, Chairman

Committee on Energy and Commerce

Prepared Remarks of

THE HONORABLE JOHN D. DINGELL

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"Long Time Coming: A Historical Look at Health Reform and Priorities for 2009"

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Thank
you, Julie [Rovner]. I appreciate your kind words and all you do to
shed light on the most pressing health care issues facing our country.

As
always, it is a pleasure to be here at the Center for America Progress.
I thank Winnie, and the rest of John Podesta's fine team, for welcoming
me. And I thank you all for taking the time to join me in this
important discussion.

We are gathered to discuss the state of our health care system and our prospects for improving it.

So let's begin with a snapshot of where we are today.

President

Bush is trying to wind down the American military presence in the wake of a war in the Persian Gulf. At the same time, he is widely derided as being out of touch with the concerns of ordinary Americans, who are struggling with high energy costs in a limping economy. The number of Americans without health insurance has reached a new high, as has the proportion of our gross domestic product we spend on health care. Finally, the campaign of the Democratic nominee for President of the United States — who is quite a bit younger than his Republican opponent — is fueled by change and hope.

My God. It's 1992 all over again.

As my dear friend, the late Gerald Ford, once said: "Things are more like they are now than they've ever been."

Of course, I'm joking. Sort of.

Here

are the hard truths. Right now, an American company is laying off a worker it can't afford to cover. Right now a pregnant woman is forgoing prenatal care because of its high cost. Right now a sick child is not being treated because a trip to the doctor is too expensive. By the end of this luncheon, more than 100 people will have filed for bankruptcy in the wake of a serious health problem. And by the end of the day, two people in my home state of Michigan will be dead because they lack health insurance.

In the wealthiest country in the world, 47 million people — nearly nine million of them children — are without health coverage. Most adults without health insurance are working full-time, but have jobs that do not provide insurance. Far too many of them cannot afford insurance on their own.

Unfortunately, for nearly eight years their President has done little to help our growing pool of uninsured and underinsured Americans; to bring down health care costs; or to invest in needed technological advancements. And his Administration has fought nearly every effort to improve or extend coverage for our youngest, oldest, poorest and most vulnerable.

President Bush has exactly 189 days left in office – in case you are counting.

Now is a fine time to think seriously about the future of health care reform, and about the opportunities and challenges that will confront the next Administration.

Let's start with a look at where we are, and how we got here.

In many particulars, our health care system is the best in the world. We have the most outstanding cadre of health care professionals on the planet, the most advanced technologies, the most innovative health care institutions, and the finest medical research.

But millions of Americans are locked out of this system.

Too many Americans currently feel that they are one diagnosis away from losing everything -- not just the 47 million without health insurance, but the 250 million with insurance as well.

Health care spending continues to rise at the fastest rate in our nation's history. It's now at 7 percent -- more than twice the rate of inflation. Last year, health care spending totaled more than \$2 trillion -- more than 4 times the amount we spend on national defense.

In 1993, the last time our country launched a serious reform effort, health care spending was 14 percent of GDP. Today it's close to 17 percent.

Employer health insurance premiums increased by more than 6 percent last year. Annual premiums for a family of four now average more than \$12,000. And deductibles and co-pays are skyrocketing.

At this rate, it's no surprise that half of all bankruptcies in this country are the result of medical expenses.

These facts have captured the attention of those who haven't always been in favor of reform, because our current health care system isn't just morally indefensible. It's economically untenable.

Today

almost a third of all worker compensation is in benefits, not take-home pay, due to the high cost of health care premiums. Almost half of all small businesses no longer offer health care to their workers. And many companies have responded to rising costs by laying off employees or simply shutting down.

Many of our nation's recent labor disputes centered on health care coverage issues.

Some

of our largest corporations are struggling to compete with foreign competitors based in countries with universal health care. For example, today a General Motors car contains about \$1600 in health care costs per car -- twice as much as a Japanese car. American automakers now spend more on health care than steel, just as Starbucks spends more on health care than coffee beans.

To those who still say it's too costly to act, I ask, what's the alternative?

Other

industrialized countries that provide health care to their citizens have an advantage over American industry long before product development and production begin. The reality is that if we want American companies to be able to compete in the global marketplace, we must improve our health care system.

So how did we

get here? How is it that, 60 years after President Truman issued the first call for a national health care plan, this vision has not yet been realized?

In 1942, my father, John Dingell, Sr., tried to answer Truman's call by introducing the National Health Insurance Act in the House of Representatives. In the half-century that I've served in Congress, I've carried on Pop's work, opening each session by introducing a bill to provide every American with health insurance. Some see this as an act of profound stubbornness. It is. Some see this as an act of great optimism. Well, after fifty-some years, I'm not so sure my optimism is justified. But I haven't wavered in my conviction that this is the right thing to do.

The

truth is that, in the last half century, we actually have made significant progress -- not great strides, as we would like, but a series of hard-earned, critically important steps.

When

I came to Congress, only one in eight elderly Americans had health insurance. Private insurers refused to cover older people, believing they were too great a risk.

But those of us who

believed that every American deserved to live with dignity and security fought back. Our opponents were well-financed and well-connected. Yet we pressed on, even as they claimed our efforts were "socialistic," "too costly," and "anti-American."

After years of

advocacy and negotiation -- and, of course, compromise -- in 1965, I had the honor of presiding over the House the day we passed legislation to create the Medicare and Medicaid programs. And I had the pleasure of standing with President Johnson as he signed these programs into law.

Though

their enactment seemed impossible at times, these programs -- along with the Social Security system we created to ensure that no elderly American will be forgotten -- have proved to be the most successful government programs in history.

Because of

Medicare, America's seniors are guaranteed health care. Over the past 40 years, this program has allowed more than 100 million Americans to enjoy better health, receive higher quality care and feel more financially security.

This experience teaches us

that if the American people will it, and if policymakers work for it, our health care system can be transformed. This lesson has stayed with me. Even though it's been tested, perhaps most obviously and most heartbreakingly, in the early 1990's.

When Bill

Clinton won the presidency, we eagerly awaited and expected comprehensive health reform. I remember being on the floor of the House of Representatives on September 22, 1993, as President Clinton unveiled his health reform plan to Congress with a rousing speech.

Clinton

said, "Millions of Americans are just a pink slip away from losing their health insurance and one serious illness away from losing all their savings.

Over 37 million Americans, most of them working people and their little children, have no health insurance at all." This sounds very much like today, except the number of uninsured has grown by 10 million.

Clinton also said that fixing our health care system needed to begin with congressional action. What we learned from our experience in the early nineties is that, actually, change must begin with a demand from the American people. We learned that these efforts won't go anywhere if we don't have a President willing to make them a top priority. And we learned that the President must wage a strong, sustained campaign to move any reform measures forward.

In 1993, President Clinton told us we would be "writing a new chapter in the American story."

Even my friend Newt Gingrich said that there was no way Clinton could be stopped. But he was wrong. And those of us who joined President Clinton were naïve.

We expected resistance. We did not expect an all-out war. And that's exactly what we got.

Clinton's speech launched an attack from conservatives and their allies — mainly big insurance companies — determined to stop the President's reform plan at any cost. They ended up spending \$500 million on this effort.

Our next President will need to come forward with a health care plan on day one and make it priority one. Our next President must campaign for this plan and explain and defend it in terms the American people understand to successfully refute the lies and distortions that will inevitably be lobbed against it.

Hopefully, as our next President undertakes this massive endeavor, John McCain will play a constructive role — from a comfortable seat in the United States Senate.

History

has taught us the difficulties of this undertaking and the importance of Presidential leadership. I mean no criticism of President Clinton by observing that, in the early nineties, his attention turned to international affairs, leaving a void in the dialogue on health care reform that his opponents gleefully and swiftly filled with an advertising blitz and misinformation campaign. They introduced us to Harry and Louise, making many of us on the other side feel like Thelma and Louise. In the process, they stymied our best efforts.

In

1994, Republicans were never forced to vote on health care reform. This time around, we can not allow our friends on the other side of the aisle to skulk among the shadows. Let them cast votes publicly so their constituents know exactly where they stand.

So where

do we go from here? In what remains of this Congressional session, we will continue to build upon the series of significant, if incremental, successes we've achieved.

In this Congress alone, I

have proposed legislation to reauthorize and improve the State Children's Health Insurance Program, to create incentives for small business owners to cover employees, to ensure mental health coverage, to prohibit discrimination based on genetic information, to expand Medicare and Medicaid coverage to more Americans, and to combat fraud and abuse in these programs. Despite this Administration's hostility toward these efforts, we've been able to take some important steps.

I'm

also moving forward on a Health Information Technology bill that will significantly lower administrative costs and improve the accessibility and accuracy of health records while protecting patients' privacy.

As

we complete this work, we look forward to next year. There will be new opportunities for reform, largely because the debate in this country over health care has shifted. Support for comprehensive reform — something organizations like this one have worked successfully to build — is now widespread. And the diverse group of business and health

industry leaders that are part of work is a testament to your critical efforts.

Beyond this, there's no question that health care has emerged as a top issue in this year's Presidential campaign.

Senator Obama has said, "The debate over whether or not we should have universal health care in this country has effectively ended." He's right. The question is not whether we need guaranteed health coverage — but how we get it.

Senator Obama has pledged that we will have guaranteed health care coverage by the end of the next President's first term. Though this is not the time or place to get into the details of Senator Obama's health care plan, I want you to know that I will do all I can to see to it that he delivers on this promise.

Senator McCain has also talked about a reform plan, specifically one that relies on free market competition.

Let's review what the "free market" has brought us on health care: millions of people who can't get insurance or are afraid to change jobs because they have a "pre-existing condition" — something I promise you will all have if you live long enough. Millions of parents who have full-time jobs but no coverage for their kids. Insurance companies with total control over how much you pay and what care you get. And drug companies that can charge whatever they want for new medications and pour money into lobbying Congress so that Medicare can't negotiate lower prescription drug prices.

A McCain "free market" plan sounds an awful lot like insecurity, unaffordability, and instability.

The current reality does force us to ask whether our system of employer-based healthcare is sustainable going forward.

But what would replace it? Those on "the Left" want a national single-payer system. Those on "the Right" support a private system where individuals pay. The majority of Congress — like the majority of Americans — are somewhere in the middle, eager to support an approach that protects

what works, improves what doesn't, and provides a bit more for everyone.

People

often ask me what I'd like to see. Of course, I think we should have a single-payer system. But I also realize such an approach is unlikely at this time. That's why, when people say to me, "Dingell, what should be our plan?" I find myself quoting Deng Xiaoping, who wisely noted, "I don't care if the cat is black or white, so long as it catches mice."

By

this I mean that I believe in American ingenuity and our collective ability to create a new approach -- a plan that provides the American people with security and the flexibility to choose what's best for themselves and their families; a plan in which private insurance companies can participate. And I pledge to support any approach that will guarantee every American access to quality, affordable health care.

That's

going to require more than just a plan. It will require a campaign to push that plan. We will need an active, organized political coalition. Not only consisting of labor unions and advocacy organization, but also incorporating industry leaders and health care providers.

In

1993, we were prepared to argue our case for health care reform. But we were not prepared to go to war on the issue. This time, we will be.

We

know to expect a media blitz and outlandish scare tactics. And I'm glad to see that we're already preparing. Groups such as Health Care for America Now -- led by your colleague, the distinguished Elizabeth Edwards -- has already pledged to spend \$40 million on a campaign promoting guaranteed health care. And they've set a goal of seeing this enacted by 2009.

We need this high level of support.

Just as we need increased citizen engagement and a unified Congressional coalition behind health care reform. But, as important as these things are, there is simply no substitute for strong Presidential leadership.

The next President must make improving our health care system our most urgent priority. I have been walking this path long enough to know that this is absolutely essential.

In 1994, we were not able to write that new chapter in our nation's history. This time around, we're not just sixteen years older, we're infinitely wiser. And we're even more determined to see to it that the American people have the security they need and deserve.

In this year, which has been marked by a hopefulness that often seems contagious, I find myself feeling hopeful about our prospects.

I am starting to see light at the end of this dark road I've been traveling. I believe we are moving toward the end of our journey, toward the future that President Truman proposed.

The future my father dedicated himself to throughout his career. The future I've dreamed of and worked toward for all of mine.

I believe that we can reform our health care system. I am ready to write that new chapter in the American story. More importantly, I am prepared to fight for it. And I hope you are, too.

Thank you.

Prepared by the Committee on Energy and Commerce

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